

Message Text

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ACTION ARA-20

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03

NSAE-00 NSC-10 PA-04 RSC-01 PRS-01 SPC-03 SS-20

USIA-15 ACDA-19 IO-14 OMB-01 SAL-01 EB-11 COME-00

TRSE-00 SNM-02 AID-20 DEAE-00 DRC-01 /167 W

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P 192119Z NOV 73

FM AMEMBASSY PANAMA

TO SECSTATE WASHDC PRIORITY 9105

C O N F I D E N T I A L PANAMA 6244

EO 11652: GDS

TAGS: PN PFOR

SUBJ: RESUMPTION OF CANAL TREATY NEGOTIATIONS

REF: STATE 226606

SUMMARY. TALKING POINTS FOR USE BY AMBASSADOR BUNKER IN HIS CONVERSATIONS WITH PRESIDENT DEMETRIO B. LAKAS AND LT. COL. MANUEL NORIEGA, THE G-2 OF THE NATIONAL GUARD, ARE PROVIDED HERewith. ALSO INFORMATION CONCERNING GABRIEL LEWIS AND HIS FAMILY IS PROVIDED. END SUMMARY.

1. PRESIDENT LAKAS FAVORS AN IMPROVED FRIENDLY RELATIONSHIP BETWEEN PANAMA AND THE UNITED STATES AND HAS WORKED TO TONE DOWN ANTI-AMERICANISM IN THE MEDIA. HE RECOGNIZES THAT THE U.S. SHOULD HAVE A ROLE IN DEFENDING AND OPERATING THE CANAL. ALSO HE HAS CONTRIBUTED SIGNIFICANTLY TO THE MAINTENANCE OF AN ECONOMIC AND POLITICAL ATMOSPHERE WHICH HAS ATTRACTED FOREIGN INVESTMENT AND ENHANCED PANAMA'S ROLE AS AN INTERNATIONAL BANKING CENTER. LAKAS IS AN INFORMAL MAN, AT TIMES BLUNT. HE LIKES OTHERS ALSO TO BE DIRECT IN EXPRESSING THEIR VIEWS. LAKAS SPENT CONSIDERABLE TIME IN TEXAS AND IS PROUD OF HIS TEXAS ACCENT. HE LIKES THE SEA. A FORMER SHRIMPER, BOATING AND FISHING ARE HIS FAVORITE SPORTS. ON THE SEA, HE ENJOYS STORMY

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WEATHER. ACCORDINGLY, THE FOLLOWING POINTS MIGHT BE USED:

-- SHOW AWARENESS OF THE GOP'S EFFORTS TO IMPROVE THE ECONOMIC AND SOCIAL WELL-BEING OF ITS PEOPLE THROUGH GRADUAL CHANGE OF THE STRUCTURE OF SOCIETY WITHOUT SERIOUS DISLOCATION OF THE ECONOMY, I.E., "REVOLUTION AT A LOW SOCIAL COST."

--SHOW AWARENESS OF HIS ROLE IN MAINTAINING A GOOD CLIMATE FOR BUSINESS AND INVESTMENT, EVIDENCED BY PANAMA'S RAPID ECONOMIC GROWTH RATE.

--THE CLIMATE OF ORDER AND RESPECT PREVAILING THROUGHOUT PANAMA IN RECENT YEARS HAS BEEN IMPRESSIVE. THIS OVERALL CLIMATE, PLUS THE REDUCED TENSION IN U.S.- PANAMANIAN RELATIONS IN RECENT MONTHS, HAS CONTRIBUTED TO AN APPROPRIATE ENVIRONMENT FOR TREATY NEGOTIATIONS.

--PRESIDENT LAKAS HAS PLAYED A ROLE IN MAINTAINING GOOD RELATIONS WITH THE U.S., AND WE APPRECIATE HIS EFFORTS.

--HIS REPUTATION AS A SAILOR ABLE TO WEATHER ANY STORM WOULD BE AN APPROPRIATE TOPIC. REPORTEDLY HE TEASES HIS BODYGUARDS OVER THEIR INABILITY TO DEVELOP "SEA-LEGS."

--AS A GRADUATE OF TCU AND TEXAS WESLEYAN, HE KNOW U.S. FROM U.S. STYLE FOOTBALL AND U.S. POLITICAL FIGURES, TO CURRENT ISSUES IN U.S. AND DISCUSSES THEM ALL WITH FACILITY AND APPRECIATES IT WHEN OTHERS RECOGNIZE THIS.

2. LT. COL. MANUEL NOREIGA HAS RECENTLY PLAYED A KEY ROLE IN KEEPING THE PANAMANIAN PRESS FROM ATTACKING THE UNITED STATES AND THEREBY IN RESTORING A SUITABLE ENVIRONMENT FOR TREATY NEGOTIATIONS. HE ALSO IS DIRECTLY RESPONSIBLE FOR RESTRAINING STUDENT DEMONSTRATIONS, AND SPECIFICALLY FOR ENSURING THAT DEMONSTRATIONS DID NOT TAKE PLACE AT THE U.S. EMBASSY IN THE WAKE OF ALLENDE'S DOWNFALL IN CHILE. FINALLY, HE IS THE OFFICIAL WHO HAS SPEARHEADED PANAMA'S ATTACK ON NARCOTICS TRAFFICKERS DURING THE PAST YEAR. IN THIS AREA HE HAS COOPERATED EXTREMELY WELL WITH AND BEEN OF GREAT ASSISTANCE TO U.S. NARCOTICS ENFORCEMENT OFFICIALS. ALTHGH NOIEGA HAS BEEN IMPLEMENTING TORRIJOS' POLICIES IN MAINTAINING A SUITABLE CLIMATE FOR TREATY NEGOTIATIONS, HE APPRECIATES HAVING HIS ROLE RECOGNIZED AND, IN THE

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NARCOTICS AREA, HE DESERVES THE PRINCIPAL CREDIT FOR THE PROGRESS PANAMA HAS ACHIEVED. NORIEGA HAS SAID THAT THE CANAL PROBLEM COULD BE SOLVED IF "DIPLOMATS" WERE NOT INVOLVED IN THE NEGOTIATIONS. HE THINKS OF HIMSELF AS AN ACTION-ORIENTED, PRAGMATIC MAN AND APPEARS TO ADMIRE THESE QUALITIES IN ORDERS. THE FOLLOWING TALING POINTS COULD BE USED:

--AN APPROPRIATE CLIMATE FOR RESUMPTION OF TREATY TALKS HAS

BEEN MAINTAINED BY THE GOP IN RECENT MONTHS. WE ARE AWARE OF HIS
ROLE IN THIS AND APPRECIATE HIS EFFORTS.

--THE COOPERATION THAT PANAMA HAS PROVIDED TO THE U.S. IN
CONTROLLING THE TRAFFIC IN NARCOTICS HAS BEEN VERY USEFUL AND IS
APPRECIATED BY THE U.S.

--THE UNITED STATES UNDERSTANDS PANAMA'S POSITION ON THE
CANAL AND WILL BE SEEKING TO FIND A FORMULA IN WHICH PANAMA'S
NEEDS ARE ACCOMMODATED AND WHICH ALSO SAFEGUARDS THE INTERESTS OF
THE UNITED STATES. PANAMA SHOULD ALSO SEEK TO UNDERSTAND THE
NEEDS OF THE U.S. WITH RESPECT TO THE CANAL. THE QUESTION OF
NATIONAL PRIDE IS ALSO INVOLVED ON OUR SIDE.

3. THE LEWIS FAMILY IS ONE OF THE MOST PROMINENT IN PANAMA.
WHILE CHARTER MEMBERS OF THE OLIGARCHIC ESTABLISHMENT, THE
LEWISES HAVE WORKED WITH THE PRESENT GOVERNMENT AND ARE ON GOOD
TERMS WITH TORRIJOS. THE FAMILY PATRIARCH, SAMUEL LEWIS ARANGO,
SERVED AS MAGISTRATE OF THE ELECTORAL TRIBUNAL FROM AUGUST
1969 UNTIL HIS RETIREMENT IN NOVEMBER 1971. A FORMER NEWS-
PAPERMAN, BUSINESSMAN AND FOREIGN MINISTER, THE ELDER LEWIS IS
INACTIVE AND IN POOR HEALTH. TWO OF HIS SONS BY HIS FIRST
MARRIAGE, SAMUEL LEWIS GALINDO AND GABRIEL LEWIS GALINDO,
CURRENTLY HEAD THE FAMILY'S INTERESTS. SAMUEL IS GENERAL MANAGER
OF CERVECERIA NACIONAL. GABRIEL, WHO WILL LIKELY BE HOST ON
CONTADORA, IS PRESIDENT OF CORPORACION TURISTICA MELIA PANAMA,
THE JOINT PANAMANIAN-SPANISH GROUP DEVELOPING THE ISLAND.
IN THIS REGARD, WHILE IT IS NOT CLEAR HOW MUCH OF CONTADORA IS
STILL OWNED BY THE LEWIS FAMILY, THEY WERE MOVING FORCE IN ITS
DEVELOPMENT AND MAINTAIN HOMES THERE. IN ADDITION TO THEIR
CERVECERIA AND CONTADORA INTERESTS, THE LEWIS BROTHERS HAVE
OTHER EXTENSIVE BUSINESS CONNECTIONS.

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